

DATE ISSUED: July 11, 2002

REPORT NO. P-02-113

ATTENTION: Planning Commission  
Agenda of July 18, 2002

SUBJECT: Strategic Framework Element Program. Process 5.

REFERENCE: Planning Report Nos. P-00-012, P-00-035, P-00-072, P-00-88,  
P-00-191, P-01-140, P-02-078, P-02-112 and Memorandums dated  
June 29, 2000, August 9, 2000, and January 22, 2001.

### SUMMARY

Issues – Should the Planning Commission recommend that the City Council adopt the Strategic Framework Element as an amendment to the *Progress Guide and General Plan* to replace the Guidelines for Future Development, adopt the Action Plan, apply the Transit Oriented Development (TOD) Design Guidelines to potential village sites as identified on the Strategic Framework City of Villages Map, establish the Pilot Village Program, adopt the Strategic Framework Citizen Committee findings as the foundation for a Public Facilities and Infrastructure Financing Strategy, and recommend City Council Certification of the Strategic Framework Element EIR (LDR No. 40-1027/SCH No. 2001061069)?

### Planning Department Recommendations:

1. Recommend Certification of the Strategic Framework Final EIR (LDR No. 40-1027/SCH No. 200206) (Attachment 1 – Section V);
2. Recommend adoption of the June 2002 Strategic Framework Element including contents of the errata sheet dated July 18, 2002 (Attachment 1 – Section III and Attachment 5);
3. Recommend Adoption of the June 2002 Action Plan including contents of the errata sheet dated July 18, 2002 (Attachment 1 – Section IV and Attachment 6);
4. Recommend application of the TOD Design Guidelines (Attachment 1 – Section VIII) to potential village sites as identified on the Strategic Framework Element City of Villages Map (Attachment 1 – Section IV);

5. Recommend establishment of the Pilot Village Program (Attachment 1 – Section VII); and

6. Recommend Adoption of the findings of the Citizen Committee as a foundation for a Public Facilities and Infrastructure Financing Strategy (Attachment 1 – Section VI).

Community Planning Group Recommendation – The City Council, through Council Policy 600-9, has charged the Community Planners Committee (CPC) to assist the Planning Department, Planning Commission and City Council with the preparation, adoption, and amendments to the *Progress Guide and General Plan*. On June 25, 2002, the (CPC) adopted Resolution No. 09-2002 by a vote of 22-3-2 in support of the approach presented in the Strategic Framework Element predicated upon a number of recommended conditions. Staff recommends that the proposed conditions not be included in the Planning Commission recommendation, mainly because the conditions are not appropriate for all communities. Such specific recommendations are premature and should be discussed when community plans are updated or amended. The resolution and more detailed staff response to the conditions are included as Attachment 11 of this report.

Environmental Impact – The City of San Diego (City), as Lead Agency, has prepared a Final Environmental Impact Report No. 40-1027 (SCH No. 2001061069) for the proposed project pursuant to Section 15132 of the State CEQA Guidelines. This EIR, addressing the proposed policy change for future growth and development, is programmatic and will be followed by a series of more specific environmental documents related to subsequent discretionary actions to implement the Strategic Framework Element.

The EIR, dated June 14, 2002, concluded that adoption of the Strategic Framework Element would result in significant and unmitigated impacts in the issue areas of Transportation, Solid Waste Disposal, and Air Quality. In addition, the EIR concluded that some of these impacts might be able to be mitigated during future, site-specific CEQA review for development proposals requiring subsequent discretionary permits. Mitigation measures to address impacts associated with paleontological resources, geologic hazards, noise, historical resources, human health and safety, and recreational facilities are also proposed for adoption with certification of the final EIR. More information regarding the EIR is provided in the Background section of the report.

Fiscal Impact – None with this action. The City faces a \$2.5 billion (2002 dollars) shortfall in public facilities and infrastructure already identified in adopted community plans. This shortfall exists independent of the proposed Strategic Framework Element. Projections indicate that it would require \$95 million in annual added revenue, financed up to fifty years, to resolve the shortfall and build the needed facilities over the next 20 years. The Citizen Committee recommended four interconnected approaches to address this issue. An analysis of the committee's findings follows in the Discussion section of the report.

Code Enforcement Impact – None.

Housing Affordability Impact – Adoption of the Element will initially have a limited impact, but major policies include ensuring that the housing supply accommodates future population growth and improving housing affordability throughout the City. The Action Plan, therefore, includes specific implementation measures to increase affordable housing funding, create new housing partnerships and community education initiatives, increase the overall housing supply by 17,000 to 37,000 units through appropriate development regulations, and to improve housing affordability throughout the City to complement actions included in the updated Housing Element.

## **BACKGROUND**

### **A New General Plan**

Timely and effective planning is critical to assist a city in its evolution, as well as to protect the health, safety and welfare of its residents. Recognizing this, the State of California requires that each city have a general plan to guide its future growth and development. The state also requires each city to update its general plan periodically to ensure relevance and utility.

The City of San Diego is initiating an amendment to its *Progress Guide and General Plan*, the Strategic Framework Element, which will provide the first step in updating the plan since 1979. Several factors that influenced the timing of this update include:

- The City's population is projected to increase by approximately 350,000 people by 2020.
- Less than 10 percent of the City's land is vacant and available for new development, meaning the City must shift from developing vacant land to reinvesting in existing communities.
- The City faces a significant shortfall in public facilities and services.
- The City needs to address traffic congestion and other quality of life concerns.
- Housing is increasingly unaffordable and unavailable.

### **The Strategic Framework Element**

This planning effort affords the City an opportunity to prepare a comprehensive strategy to address its challenges so that it can achieve its primary goal: leverage projected growth to improve the quality of life for current and future generations of San Diegans.

This Strategic Framework Element (Attachment 1 - Section III) provides the overall structure to guide the General Plan update, including future community plan amendments and implementation of a Five-Year Action Plan. The Strategic Framework Element contains a strategy called the City of Villages to direct future growth as San Diego shifts from an era of building upon abundant open land to one of reinvesting in existing

communities. It represents the City's new approach for shaping how the City will grow while preserving the character of its communities and its most treasured natural resources

and amenities. Drafting and production of the Element represents a partnership between City staff, other agencies, the Strategic Framework Citizen Committee, and many interested citizen groups and city residents. An errata sheet is included as Attachment 5 to this report to indicate revisions and corrections made since distribution of the Final June 2002 draft document.

The Strategic Framework Element will provide guidance for updating the other General Plan elements and community plan amendments, and a Five-Year Action Plan will accompany it. The Action Plan is a separate document that sets the City's work program in motion following City Council adoption of the Element. Adoption of the Element is a critical first step, but it is through the next steps, identified in the Action Plan, that the City has the real potential to realize the vision.

### **Action Plan**

The Strategic Framework Five-Year Action Plan (Attachment 1 – Section IV) is a companion document to the Strategic Framework Element. It outlines the work program proposed to implement the City of Villages strategy. The Action Plan identifies actions to be taken, the “Lead Department(s)” to further the action, whether staff funding is available to work on the action, potential public and private sector partners who should be involved, which action items have the highest priority for implementation, and a monitoring program to assess progress in implementing the strategy. The Action Plan includes a list of priority items that are either major initiative to begin immediately upon adoption of the Element and/or those items already under way. Three of these items are key strategy implementation measures: development of a financing strategy that includes new revenue sources to implement significant components of the Strategic Framework Element, such as infrastructure improvements; establishment of a Pilot Village Program to select, master plan, and develop three villages, and the application of the TOD Design Guidelines to potential village sites identified on the Strategic Framework Element City of Villages Map.

Other major action items identified in the Action Plan include updating other elements of the General Plan and the City's community plans. It also recommends actions to revise, reexamine, and create new City policies, regulations, standards, and processes so that they are consistent with the Element. An errata sheet is included as Attachment 6 to this report to specify revisions and corrections made since distribution of the Final June 2002 Action Plan.

### **Financing Strategy**

One of the greatest challenges in implementing the City of Villages will be providing the necessary public facilities and services for growing neighborhoods. Local community planning groups and citizens have demanded that any higher density development must be accompanied by sufficient parks, schools, police services, sewer lines, and public transit.

However, the City faces a \$2.5 billion (2002 dollars) shortfall in public facilities and infrastructure already identified in current community plans. Projections indicate that it



would require \$95 million in annual added revenue, financed up to fifty years, to resolve the shortfall and build the needed facilities over the next 20 years.

Given this scenario, delivering any new services while financing current facility shortfalls will require new funding sources and may require refocusing City resources into communities with the highest concentrations of jobs or housing. With the guidance of the Strategic Framework Citizen Committee, City staff is preparing financing strategies to address the shortfall and identify potential funding sources for new or upgraded facilities. Ultimately, however, San Diego voters will choose how to finance public facilities and infrastructure needs.

After much study and consideration, the Citizen Committee has identified four approaches toward achieving the needed City infrastructure and public facilities. (For more information see Attachment 1 - Section VI). These approaches complement one another and are summarized as priorities:

1. Fiscal reform at the state and local level,
2. “Regionalization” of infrastructure expenses,
3. Efficient use of shared resources, and
4. Seek new revenue sources.

The Finance Subcommittee reviewed the findings of an independent municipal finance advisor (report included in Attachment 1 - Section VI) and concluded that there are a number of major revenue options that merit review by the City, once the first three approaches above have been pursued to the extent practicable. The use of bonding would allow the City to leverage the revenue stream, components of which have been identified to include the following sources currently used by most major cities in California:

- Instituting a residential refuse collection fee (requiring a citywide majority vote) - \$33 million in annual cost-based revenue from an approximate \$9 monthly charge to those users currently receiving ‘no charge’ City-funded trash collection service.
- Application of a utility users tax (majority vote) - \$45 million annual generated revenue based on the example of a 2.5 percent tax.
- Increasing the transient occupancy tax (majority vote) - \$23 million in annual additional revenue based on the example of an increase of 2.5 percent to a total of 13 percent, compared with rates of 14 percent in both Los Angeles and San Francisco.
- Increasing the real property transfer tax (majority vote) - \$21 million in annual generated revenue based on the example of a rate similar to other peer cities of \$2.75 per one thousand dollars of property valuation at sale.

The Strategic Framework Element Steering Committee charged the Citizen Committee with the task of identifying the shortfall in City-provided community facilities and available sources to provide the current revenue needs for facilities in the twenty-six urbanized communities (as defined by the General Plan). It should be noted that infrastructure such as transit, open space and other facilities that are regional in nature were not included in this task. Given their importance in how San Diegans evaluate quality of life, the City needs to decide how to allocate resources to maintain and improve regional resources and infrastructure.

Other agencies, specifically SANDAG, are attempting to address the issue and develop a region wide solution. The City of San Diego is participating in the preparation of a Regional Comprehensive Plan (RCP) with all of the SANDAG member agencies. SANDAG has already identified an infrastructure needs assessment and a public financing strategy as a critical element of the RCP and realizes that smart growth must have funding.

### **Transit-Oriented Development Design Guidelines**

As an interim implementation measure, staff is recommending the application of the City Council adopted Transit-Oriented Development Design Guidelines (TOD) to proposed village and corridor sites on the Strategic Framework Element City of Villages map to ensure that opportunities for well designed transit oriented development are not lost in advance of community plan amendments and/or updates. Though the TOD Design Guidelines already apply to many locations today, they will apply only where there is an existing requirement for discretionary review. They do not supersede community plan density or land use recommendations, and will primarily be relied upon for site planning and design for transit access and walkability (Attachment 1 – Section VIII).

### **Pilot Villages**

For many, the village concept is still unfamiliar and is difficult to visualize. The Pilot Village Program will involve the selection of sites around the City to demonstrate how a village can be built, and how it will evolve and function depending on the neighborhood and community in which it is sited. The City will partner with communities, agencies, property owners and developers to implement the Village strategy, in a timely fashion, in three locations. It is a goal that this process will serve as a catalyst in the development and evolution of the strategy around the City. The Strategic Framework Citizen Committee worked with staff to draft and test threshold, location and project criteria and develop a two-tier process to assist in the selection of the three sites. The Committee developed a Pilot Village Submittal Package (Attachment 1 - Section VII). The Smart Growth Implementation Committee (Attachment 1 - Section XII) will use this information as part of the evaluation of the project submittals, and will make a recommendation to the City Council regarding Pilot Village finalists.

The Citizen Committee also provided the initial input for the development of an incentive package to facilitate the design and timely construction of a pilot village. Planning staff is working with other City departments to complete the incentive program and has

reviewed a draft with the Smart Growth Implementation Committee. It is included in the draft submittal package but will be refined and augmented depending upon ultimate pilot village site selections and secured grant funding.

It is anticipated that the City Council will establish the Pilot Village Program concurrent with adoption of the Strategic Framework Element. The City will immediately begin a public outreach program to explain and publicize the Pilot Village Program to solicit submittals. The draft schedule anticipates that applications will be due approximately two months later, with second phase participants to be selected in early 2003. Second phase participants will be invited to fully develop and design program proposals for the Smart Growth Implementation Committee to review and evaluate in summer 2003. The City Council will then consider the recommended finalists and select the pilot villages.

It is hoped that the projects selected will be the first of many, and that the Pilot Village Program will continue and evolve based upon initial success. The program is designed to serve as a classroom experience from which the entire community can learn and benefit.

### **Environmental Review**

In October 2001, SANDAG released the 2030 Preliminary Forecast changes for the region. According to the revised forecast, the City will experience approximately 90,000 less population and 33,000 fewer units over existing plan capacity in 2020 than previously forecasted. The revised forecast was based on the newly available 2000 Census data that indicates that the San Diego region's growth rate will drop to almost 1 percent by 2020. The Draft Strategic Framework Element and City of Villages map used for the Draft Environmental Impact Report (DEIR) were therefore revised to project an approximate range of 17,000 to 37,000 units over plan capacity by 2020, down from 50,000 to 75,000 units in the previous projection. In addition to the lower forecast, assumptions were added that phased in village centers more slowly over time, particularly in community plan areas where two or more villages were located.

A DEIR was prepared for the proposed City of Villages - Strategic Framework Element pursuant to the California Environmental Quality Act (CEQA). The availability of the DEIR was noticed in the *San Diego Union-Tribune* on January 12, 2002 and in the *Daily Transcript* on January 14, 2002, and copies of the DEIR were distributed on January 14, 2002. The DEIR, in its entirety, was posted on the City's web site, and copies were available for review at the offices of the Development Services Department, branch libraries, and community service centers. The public review period was extended to March 26, 2002. This extension allowed a total of 72 days for public review and comment, ample time for community planning groups and interested persons to participate in the CEQA review process regarding this proposed citywide policy. All received written public comments and associated City staff responses are included in the Final EIR for review and consideration by the Planning Commission and the City Council.

The final document was distributed on June 14, 2002.

The EIR addresses the adverse environmental effects of the adoption of the proposed Strategic Framework Element and the Action Plan and the application of the TOD Design Guidelines to proposed village and corridor sites on the City of Villages Map located in the Strategic Framework Element. This programmatic document analyzes the proposed growth policy on both a citywide and region wide basis. As related to the region wide condition, the DEIR includes environmental analysis of an additional 17,000 to 37,000 dwelling units over current community plans needed to support the projected City of San Diego population growth based upon regional projections for the year 2020 and beyond. Any required, subsequent amendment of the adopted community plans, rezones or any other discretionary actions to implement the proposed City of Villages growth strategy are not covered in this initial programmatic EIR, and will be subject to additional environmental review. (A graphic depiction of the CEQA process as it relates to the Strategic Framework Element and future implementation is included in Attachment 1 - Section V).

### **Public Participation Strategy**

The public involvement strategy created for the Strategic Framework effort has provided opportunities to share information and keep citizens from all walks of life engaged in the creation of the Strategic Framework Element, and Action Plan. These documents are based on a vision and core values identified by San Diegans.

The public outreach and involvement effort has included three primary goals: education of the public about planning issues in the City of San Diego over the next twenty years; extensive outreach to as many people as possible within time and resource constraints; and public involvement to engage people in a dialogue, to listen and to incorporate their input into the Strategic Framework during every step of the process.

An extensive work program has included five phases of public outreach in addition to a series of meetings, workshops and presentations working with the City Council, the Planning Commission, the Community Planners Committee (CPC), all community planning groups, key City departments, a Steering Committee, a 40-member Citizen Committee, the general public, and other key stakeholders.

More than 200 public meetings have been held over a three-year period during five phases of public outreach. These meetings have informed the public of the region's growth projections and related issues; provided a forum to begin a public discussion about the issues related to growth; facilitated public opportunities to review and discuss alternative strategies resulting in the recommended strategy. For more information see the Public Involvement Report (Attachment 1 - Section IX).

## **Interagency Coordination**

A number of key agencies have been involved throughout the public involvement process.

The County, SANDAG, and MTDB have partnered with the Planning Department to conduct many of the public meetings held in the community.

In June 2001, the Mayor's Smart Growth Implementation Committee was formed to remove existing obstacles to fostering smart growth development in San Diego and to assist in the implementation of the Strategic Framework Element and City of Villages strategy. It is co-chaired by the Mayor and the Councilmember from District Three.

The Councilmember from District One also serves on this committee along with leaders representing the San Diego Unified School District, San Diego Imperial County Labor Council, San Diego Building Association, San Diego Association of Governments, Centre City Development Corporation, Metropolitan Transit Development Board, Price Entities, San Diego State University, San Diego Housing Commission, the City Planning Commission, the Assistant City Manager, and the heads of key City departments.

The Metropolitan Transit Development Board (MTDB) and Planning Department staffs have worked very closely, especially regarding the coordination and development of the Transit First program with the Strategic Framework Element. Transit First is an effort to expand the role of transit in the San Diego region as we continue to grow. The program was based on market research and analysis of the current and projected trip-making patterns in San Diego. The program calls for an extensive network of service and a broader range of transit vehicles, station design, and amenities. MTDB is currently evaluating five transit corridors for the development of a Transit First "showcase" project, which will demonstrate customer-based concepts and gain the agency experience in new transit technologies. The showcase project should be implemented within a three-to-five year time frame. On April 25, 2002, MTDB discussed the five candidate corridors/projects. The SDSU corridor emerged as the strongest candidate based upon ridership, cost effectiveness, and feasibility. Agency staff is conducting additional analysis, and a decision is expected by the end of the summer.

The Transit First program and the development of a City of Villages are mutually interdependent. The villages will need improved transit to mitigate anticipated traffic and parking impacts, and Transit First relies upon compact, walkable neighborhoods to make transit a more convenient and heavily used travel option. (For more information see Attachment 1 - Section X).

## **Strategic Framework Citizen Committee**

A forty-person Citizen Committee was formed to represent the diverse people and interests of the San Diego population and to guide the Strategic Framework process. The Committee met once a month for two years. Initially, subcommittees were formed to

address key issue areas identified by the public: neighborhood quality, urban form and environment, economic prosperity, and infrastructure and public facilities. Later subcommittees were reshaped into Strategic Framework Element, Action Plan, Finance, Pilot Villages, and Public Outreach to guide development of key work products in this

planning effort. Each of the subcommittees included at least one member of the City Planning Commission.

## DISCUSSION

The following sections provide more detail regarding the Strategic Framework Element and Action Plan, and some of the proposed major revisions and additions based upon issues raised during the public comment period and public workshops.

### **City of Villages Strategy**

The essence of the Strategic Framework Element is the City of Villages strategy, a wide-ranging approach to improving the quality of life for all San Diegans. The City of Villages concept builds upon what we already have by creating a network of vibrant village centers served by a world-class transit system. The strategy addresses the urban development trends of the past and the challenges of the near future, while outlining implementation strategies for the continued growth of the City beyond the year 2020. Neighborhood enhancement is at the core of this comprehensive strategy for each community to determine where and how new growth in the City should occur, and to address the challenges associated with growth.

The City of Villages reinforces and enhances the existing patterns of development found in the City's communities. It draws upon the strengths of San Diego's natural environment, neighborhoods, commercial hubs and employment centers and utilizes existing and new village centers for further intensification. The strategy envisions the preservation of the City's dedicated and designated open space areas and single-family neighborhoods, and directs higher-density redevelopment into five distinct land use districts or village types.

A village is a place in the community where housing, jobs, schools, public facilities, and services are brought together. Villages offer a variety of housing types and densities supported by excellent transit service and public facilities such as schools and parks. They are walkable, include inviting public/civic spaces where everyone feels welcome, and are unique to the community in which they are located.

### **Villages Types**

There are five distinct village types identified on the draft City of Villages Map:

- 1) The Regional Center (Downtown San Diego) is the administrative, legal and cultural center of the region, and is an appropriate location for the highest density housing and most intense, mixed-used development served by multi-modal transportation systems.



- 2) Subregional Districts, such as Mission Valley and Otay Mesa, are major employment or commercial districts with adjacent multifamily residential uses, served by major transportation systems.
- 3) Urban Village Centers, such as Hazard Center, are more focused development nodes within Subregional Districts that have an intense mix of employment, commercial and higher density residential uses near transit hubs.
- 4) Neighborhood Village Centers, exemplified by the Uptown area and found in most communities in the City, are neighborhood-oriented areas of varying sizes featuring local commercial, office, personal services, public-gathering spaces and a variety of residential housing types.
- 5) Transit Corridors, such as El Cajon Boulevard and Garnet Avenue, are the commercial “main streets” found in many urbanized communities that can be revitalized to serve as linkages between village centers.

### **City of Villages Map**

The Strategic Framework Element City of Villages Map (Village Map) was developed with extensive public input for use in analyzing environmental impacts of the City of Villages strategy and for use as a starting point for future consideration of potential village locations. A generalized version of the Village Map is included in the Strategic Framework Element to provide a graphic overview of potential and existing village locations. A more detailed map that also indicates possible distribution and densities of the villages used for environmental analysis, is contained in Appendix C of the Action Plan. The Village Map does not replace the land use maps included in each community plan. All proposed village locations and densities would be determined through the community plan update and amendment process. Community planning groups will have a lead advisory role in determining the boundaries, acreage, allocation of land uses, residential densities, commercial and employment intensities and design standards for each village.

### **Action Plan**

As previously stated, adoption of the Element is just the first step, albeit a critical one, towards realizing a City of Villages and implementation of major policy recommendations regarding urban form, neighborhood quality, public facilities and infrastructure, conservation and the environment, economic prosperity and affordable housing. The Action Plan is the guide to how, when, and who is responsible for implementing the goals.

It recommends a heightened level of interdepartmental and interagency cooperation, and greater partnerships with the development industry and citizen groups. These

partnerships will be needed to increase joint use of public facilities, phase in the Transit First plan, streamline permits, and increase equitable access to educational and job opportunities, among other efforts. Partnerships are also essential to increase the supply of affordable, or workforce, housing.

Additionally, the Action Plan includes the City of Villages Map as Appendix C to serve as a beginning point for community plan level analysis of village locations, and as the map for application of the TOD Design Guidelines.

### **Monitoring Progress**

An annual report will be prepared on the City of Villages Implementation to the Planning Commission and City Council. The Implementation Monitoring Plan will measure progress toward implementation of Action Items, and relevant “Sustainable Community Program Indicators” (Action Plan Appendix B), and attainment of 2020 Housing Goals by Community Plan Area (Action Plan Appendix A). Housing goals are listed in a table that identifies the range of residential units by community plan area that would fully implement the City of Villages strategy related to housing supply. These goals will be considered as a starting point for community plan amendments or updates.

### **Significant Strategic Framework Element and Action Plan Revisions and Additions**

As was previously noted, the Strategic Framework Element and Action Plan documents benefited from extensive community participation. Many important revisions and additions have been incorporated into the document, or are included in the errata sheets (Attachments 5 and 6 respectively). Responses to issues raised throughout the process are included in the issues table Attachment 2. Other issues raised at the June 20, 2002 Planning Commission Workshop are addressed in Attachment 4. The following are some of the major and most cited suggestions for additions to the Element:

#### **Element**

- Other community open space has been added as a category of open space designated as such due to its value in protecting landforms, providing buffers between communities and visually appealing spaces, and for habitat value outside of the MSCP.
- Policies have been added to the Urban Form and Conservation and Environment sections to more clearly state that the City supports and will assume a leadership role in rural and open space preservation throughout the San Diego **region** (emphasis added).
- The Prospective Annexation Areas from the Guidelines for Future Development has been updated and added. A more detailed explanation follows this Revisions and Additions section.

#### **Action Plan**

- Action 1.e “Open Space” has been edited to recommend that the City of San Diego

collaborate with the County of San Diego and other government agencies to reduce consumption of land and help preserve the San Diego region's backcountry and rural lands.

- Action 3.c has been expanded to recommend that policy direction on phasing thresholds be a part of community plan facilities elements.
- Action 5.a “Mobility” has been expanded to recommend that the City pursue transit right-of-way dedication to support the Transit First network through village design and development, and that transit improvements be required as mitigation measures for traffic impacts of private development projects.
- Action 9.b now recommends an evaluation of whether existing community plan densities are located in areas that support Strategic Framework Element policy recommendations. This action would occur as a part of the community plan amendment/update process.
- Action 9.b recommends, as a future action, the consideration of Council Policy, General Plan or Land Development Code amendments to establish criteria for community plan amendments that increase residential density.

### **Prospective Annexation Areas**

The currently adopted Guidelines for Future Development includes a section entitled “Prospective Annexation Areas” and has since adoption of the Progress Guide and General Plan in 1979. Despite the fact that in 1985, LAFCO determined that the City’s sphere of influence (a physical boundary and service area that a city is expected to serve) is coterminous with its boundaries, it remains in the City’s interests to identify prospective annexation areas for long range planning purposes.

The revised section and map (Attachment 10) are primarily an update to reflect where annexations have already occurred, either in the City of San Diego or another jurisdiction. This will be added as text and an appendix to the Strategic Framework Element. Since little study related to a reasonable Sphere of Influence has occurred since 1979, the map continues to include all areas originally identified as prospective areas unless annexed by the City of San Diego or another jurisdiction, most notably the North City Unincorporated Area adjacent to Rancho Bernardo and Black Mountain Ranch, and the East Mesa Unincorporated Area in Otay Mesa. The County of San Diego has adopted specific plans for much of the North City Unincorporated Area (4-S Ranch and Santa Fe Valley) and a sizeable portion is also included in the San Dieguito River Valley Regional Park planning area. The East Mesa continues to be the subject of ongoing planning, and major policy decisions have yet to be made with respect to land use and circulation. Many issues regarding efficient delivery of urban services and use of land resources should be discussed between the relevant jurisdictions. Staff recommends, therefore, that the revisions to the map reflect only completed annexations until the Planning Commission and City Council have had adequate opportunity to consider the appropriate studies, and adopt policy regarding future annexation decisions.

### **Addressing the Tier System**

The City's growth management program, the predecessor of the City of Villages strategy, divided the City geographically into three tiers or phases of growth: Urbanized, Planned

Urbanizing, and Future Urbanizing Areas (FUA). This was adopted as part of the 1979 *Progress Guide and General Plan* to address sprawl and to revitalize the City's older neighborhoods. The City has built out, more or less, according to that growth strategy with both some success and failure. Proposition A, adopted in 1985, amended the General Plan to require a vote of the people to approve redesignation of the FUA to any other phase of development, and essentially froze existing development regulations on those lands. As of 2002, most of the City is within the urbanized or planned urbanizing area tiers.

The City of Villages strategy is, in essence, a replacement of the existing phased development areas strategy, developed to address San Diego as a maturing city. The tier system is obsolete as many planned urbanizing areas are now almost completely built out or urbanized. Additionally, existing General Plan language is inaccurate and misleading when it describes many of the remaining Proposition A lands (San Pasqual, Tijuana River Valley, San Dieguito River Valley, and other properties) as future urbanizing. These are valuable open space resources and are unsuitable for urbanization. The City Council has adopted detailed policies to govern how such properties should be protected and managed. One of the recommended Action Plan items is to work with the public to revise existing General Plan language to more accurately describe the tiers and the remaining land subject to Proposition A, and to amend related policies and ordinances to reflect these revisions. (For more information see Attachment 1 - Section X). It should also be noted the Strategic Framework Element was revised to retain (by reference) the Urban Development Program from the Guidelines for Future Development to ensure that all policies regarding the provision and phasing of development are followed prior to the update of the Public Facilities Element.

## **Conclusion**

### **Potential Alternatives**

The City of Villages strategy is based upon a set of core values developed with guidance of the Strategic Framework Citizen Committee and through a year-long dialogue with San Diegans in numerous community forums. The strategy was developed to build upon San Diego's strengths, benefit from growth regardless of its rate, and minimize its impacts.

Despite its many advantages, the City of Villages is not an absolute and complete remedy for the impacts related to poor planning and implementation of the past, or future growth. These will always exist. Yet, this strategy appears to have the greatest potential to allow communities to consciously determine where and how growth should occur to reduce impacts, and in many instances, eliminate them. It is one only of several alternatives, however, that the City could choose to direct San Diego's future growth and development. A brief analysis and comparison of other alternatives is included as Attachment 3 of this report.

## Adoption of the Strategy

The Strategic Framework Element and all accompanying draft documents before the Planning Commission for this hearing are the products of a community-inspired and citizen-based effort. They represent a collaboration between staff, the public, citizen groups, and business and industry. San Diegans have spoken for generations about their vision for the City of San Diego and their common values. The Strategic Framework Element and the City of Villages strategy are viewed as a first step in realizing this vision. The Action Plan, use of the TOD Design Guidelines, Financing Strategy Recommendations, and Pilot Village Program are the critical next steps if the City is to begin true implementation.

Respectfully submitted,

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S. Gail Goldberg, AICP  
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Coleen Clementson  
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CLEMENTSON/ALM

- Attachments:
1. Planning Commission Hearing Binder June 20, 2002 (previously distributed)
  2. Issues Raised at 2002 Workshops
  3. Alternatives Strategy Comparison Matrix
  4. Issues Raised at June 20, 2002 Planning Commission Workshop
  5. Strategic Framework Element Errata Sheet July 18, 2002
  6. Action Plan Errata Sheet July 18, 2002
  7. Strategic Framework Element Draft Resolution
  8. Action Plan Draft Resolution
  9. Draft Resolution of Environmental Action
  10. Proposed Annexation Areas
  11. Community Planners Committee (CPC) Resolution No. 09-2002 with staff responses

Note: Due to the size of the attachment, only a limited distribution was made. A copy is available for review in the Will Call area of the 5<sup>th</sup> floor in the City Administration Building. Also, copies of some or all of the binder contents can be requested through the Planning Department Strategic Framework Hotline (619) 235-5226.